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C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 002667

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TAGS: [ECON](#) [EFIN](#) [PTER](#) [BEXP](#) [NI](#)

SUBJECT: NIGERIA: VICE PRESIDENT ON THE GLOBAL COALITION  
AGAINST TERRORISM, MONEY LAUNDERING AND RESTRUCTURING JEPC

REF: (A) STATE 169975 (B) STATE 170551

Classified by Ambassador Howard F. Jeter for Reasons 1.5(b)  
and (d).

1. (C) Summary. Ambassador Jeter met October 12 with Vice President Atiku Abubakar to discuss tighter money laundering controls in Nigeria, the proposed structure for the "son of JEPC", the need to increase U.S. investment in Nigeria and bilateral trade. Although offering condolences for the September 11 attacks, the Vice President qualified his remarks, suggesting the U.S. examine the reasons behind the attacks, such as USG policy in the Middle East. USAID Director Tom Hobgood, RNLEO and EconOff (notetaker) also attended. End Summary.

2. (U) Beginning the meeting, Ambassador Jeter expressed condolences for the victims of the recent violence in Jos. The Vice President thanked the Ambassador, characterizing Jos as a traditionally "quiet and peaceful" city. He offered Ambassador Jeter condolences over the September 11 attacks, adding, "it is unbelievable and sad that the world has become violent in this way." The Vice President expressed grief for America, "a country where many Nigerians, including myself, have taken refuge," in times of trouble in their own country. Atiku said that he took the attack on the United States very personally, feeling it was an attack on him.

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Fight Against Terrorism: Money Laundering  
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3. (U) Although terrorism represents an unprecedented challenge, Ambassador Jeter stated the U.S. would remain committed to the global fight against terrorism for the long haul. In addition to diplomatic and military responses to the threat, the global coalition sought to handcuff the criminals by blocking their funding sources. The Ambassador conveyed refel themes, stressing that Nigeria should move quickly to strengthen financial crime controls, particularly over money laundering. Ambassador Jeter suggested the Financial Crimes Commission, as proposed by President Obasanjo, could play a critical role in coordinating intelligence on financial crimes as well as law enforcement response. Ambassador Jeter handed the Vice President a short non-paper outlining the steps Nigeria needed to take (as suggested Ref B) to be removed from the FATF's NCCT list, the first step being to answer the original FATF questionnaire.

4. (U) The Vice President promised that Nigeria's performance would improve. The GON would establish a strong central body, in the form of the Financial Crimes Commission, and enact effective anti-money laundering legislation that would have the "required teeth and effectiveness to fight terrorism." Vice President Abubakar said draft legislation to create the FCC was pending approval by President Obasanjo and the Federal Executive Council before being sent to the National Assembly for ratification. He promised to meet with Ministers of Finance and Justice October 15 to ensure the FATF questionnaire's completion and transmittal to Paris. Ambassador Jeter commented that sending the completed questionnaire to the FATF, while important, was only a small step towards 'recertification' as a cooperating country. The Vice President offered to send the Embassy the committee's draft report "to demonstrate our commitment to move on this issue." Moreover, he said that he would soon send the minutes of the Committee's meeting and any proposed recommendations to the FATF, as a sign of Nigeria's good intentions.

5. (C) Ambassador Jeter handed the Vice President copies of the U.S. Executive Order and list of 27 prosecuted terrorist entities. The Vice President commented that some Nigerian NGOs might have some contact with these entities, but promised that Nigerian intelligence would investigate possible connections. The Ambassador asked whether the Africa International Bank (formerly the Bank for Commerce and

Credit International) had ties to Kabul and the Taliban. Vice President Abubakar denied any connection between Nigerian banks and Afghanistan, except perhaps Habib Bank, he said. The Vice President recalled, however, that Middle Eastern businessmen, interested in banking sector investments, had visited Nigeria recently. Some investment in the recently privatized United Bank of Africa came from the Middle East, he added.

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Restructuring JEPC  
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16. (U) Ambassador Jeter presented the U.S. interagency recommendations on U.S. - Nigeria bilateral engagement and restructuring the Joint Economic Partnership Committee. Three committees would be created: Economic, Law Enforcement, and Defense. Each Committee would establish an agenda and objectives, which would then be tasked to working groups for action. If the GON accepted this proposal, Ambassador Jeter suggested, the two sides could meet as early as 2002 in either the U.S. or Nigeria. Examples of objectives could include creation of a Nigerian Investment Fund, increase in non-oil trade, increase in agricultural output and self-sufficiency in refined oil products. The Vice President responded that he "already had some different ideas on this." The Embassy should discuss the proposal in detail with his staff. The sooner the better, he stressed. He wanted significant progress by June 2002, before the election period in Nigeria begins in earnest.

17. (U) Ambassador Jeter asked who would lead this issue for the GON. The Vice President replied that the lead would be Chief Economic Advisor Magnus Kpakol with the caveat that, as Chairman of the Privatization Council, the Chief Economic Advisor reports to the Vice President. (Comment. Kpakol's predecessor, Philip Asiodu, had a notoriously competitive relationship with the Vice President on most economic policy issues. It appears that the Vice President's relationship with the new Chief Economic Advisor will be more cooperative. End Comment.)

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Bilateral Commercial Relationship  
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18. (U) Ambassador Jeter suggested that the Economic Committee could provide a structure in which the two countries could tackle bilateral trade issues. In meetings with the Corporate Council on Africa in September, the Ambassador witnessed skepticism amongst U.S. companies in respect of Nigeria's non-oil sector. Ambassador Jeter commented that, to attract U.S. companies into Nigeria's non-oil sectors, they must first see some non-oil success stories. The Vice President agreed a major breakthrough would be achieved if this were done. He felt there had been a slight increase in interest from U.S. companies. More companies had requested meetings with him. However, the Vice President averred, these companies appeared unfamiliar with Nigeria and needed enticements and encouragement from the GON. Vice President Abubakar asserted U.S. companies should bring their proposals directly to him -- before problems arise, not afterward. He explained that by the time a company encounters an obstacle, it was often too late for him to intervene because of political sensitivities, i.e., it could embarrass the Minister involved.

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Domestic Security  
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19. (C) The Ambassador asked the Vice President for his assessment of the current security situation in light of occasional statements by Nigerian Muslim clerics that appear sympathetic to Osama bin-Laden. The Vice President replied that there were no signs of terrorists operating in Nigeria. However, he added, all GON security agencies were on heightened alert, anticipating that GON response time to any situation would be swift. Although Africa should not be regarded as a danger zone by the global coalition against terrorism, all African nations should be on high alert in case terrorists begin to migrate here, he advised.

110. (C) Ambassador Jeter emphasized the serious threat the world was now facing, pointing to a long string of attacks on U.S. interests from the East Africa Embassy and USS Cole bombings to the more recent WTC attacks. The Vice President suggested that America ask why this was happening, "what is

America doing?", he asked. Ambassador Jeter replied that while many Americans asked these questions, grievances against the U.S. should be discussed and negotiated, not used to senselessly slaughter innocent people. The Vice President agreed the attacks were inexcusable, but offered it was "high time the U.S. look at the question of why it (terrorist attacks) always comes from the Middle East." He referred to comments by CNN correspondent Lou Dobbs who suggested the USG had been insensitive to Middle East problems and must now harmonize its views with the rest of the world. Ambassador Jeter again reiterated that these attacks were instruments of terror that, next time, might strike outside the United States. Vice President Abubakar agreed it was a global problem; Nigeria was committed to preventing these atrocities from recurring and was "determined to keep Nigeria safe for everyone."

Jeter